

Revenue and Taxation Interim Committee

2018 Study Items May 2018



Introduction

The Legislative Management Committee approved the items below as study items for the Revenue and Taxation Interim Committee. In accordance with legislative rules enacted in [2018 H.J.R. 16](#), during the first meeting of the interim, the committee:

- shall review the study items;
- may, by motion and majority vote, amend or modify the study items; and
- shall adopt the study items by a motion and majority vote.

Study Items for the 2018 Revenue and Taxation Interim Committee

- Net operating loss and alignment with federal tax revisions
 - *Amendments related to [2018 SB 244 Tax Reform Provisions](#).*
- Effects of federal tax reform
 - *Section 59-1-102, enacted in [2018 HB 293 Tax Rebalancing Revisions](#) requires the Revenue and Taxation Interim Committee to “study the effect of Public Law 115-97, Tax Cuts and Jobs Act, on the personal exemptions and standard deductions” that are recognized in Title 59, Revenue and Taxation, and make recommendations.”*
- Sales tax collection on remote sales
 - *On April 17 the Supreme Court heard oral argument in South Dakota v. Wayfair. In this case the Supreme Court will consider the constitutionality of South Dakota’s law, which requires a remote seller that does not have physical presence in the state but does have an economic presence in the state to collect and remit sales tax. The Supreme Court is expected to issue an opinion on the case in late June.*
- Changes to the manufacturing exemption expansion effective date
 - *Amendments related to the contingency that triggers the expansion of the manufacturing exemption enacted in [2018 SB 233 Sales and Use Tax Amendments](#).*
- Nexus standard for corporate income tax
 - *A continuation of the study of this item, which was considered in the omnibus tax bill the committee considered last interim.*
- Exempting tangible personal property below a certain threshold from taxation
 - *A study of the provisions related to the taxation of tangible personal property described in [2018 HB 375 Personal Property Tax Revisions](#).*
- Property tax valuation process
 - *A study of provisions related to the property tax valuation and appeals process described in [2018 HB 307 Property Tax Changes](#) and related provisions.*
- Equity in taxation in the sale of motor vehicles
 - *A study of equity in sales tax assessed on the sale of a motor vehicle, including provisions described in [2018 HB 337 Uniform Fee in Lieu of Ad Valorem Tax Amendments](#).*
- Pollution control sales tax exemption
 - *A study of the pollution control sales and use tax exemptions described in [Title 19, Chapter 12, Part 2, Sales and Use Tax Provisions](#).*
- Equity in taxation of digital media
 - *A continuation of the study of this item, which was considered in the omnibus tax bill the committee considered last interim.*
- Statutorily required income tax credit reviews
 - *Sections [59-7-159](#), [59-10-137](#), [59-9-107](#), [63N-2-213](#), and [63N-2-305](#) require the Revenue and Taxation Interim Committee to review specific income tax credits on a three year cycle.*